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"To Enrich Lives Through Effective And Caring Service"

BOARD OF SUPERVISORS

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June 29, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE THE ALLOCATION OF FY 2003-04 CARRYOVER
WIA 15-PERCENT GOVERNOR'S DISCRETIONARY FUNDS FOR THE
HEALTHCARE WORKFORCE DEVELOPMENT PROGRAM
(ALL SUPERVISORIAL DISTRICTS) (3-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Community and Senior Services (CSS), or designee, to carryover an estimated \$1.0 million in unexpended WIA 15% Governor's Discretionary funds included in CSS' Fiscal Year (FY) 2003-04 Adopted Budget and take such actions as necessary to administer the WIA 15% Governor's Discretionary Funds on behalf of the County.
2. Approve the allocation of approximately \$900,000 of WIA 15% Governor's Discretionary carryover funds to the Department of Health Services (DHS) for the provision of healthcare Workforce Development Program (WDP) services, effective July 1, 2004, through June 30, 2005. CSS will retain \$100,000 to provide administrative and programmatic services.
3. Delegate authority to the Director of CSS, or designee, to approve the acceptance of an estimated \$2.5 million FY 2004-05 WIA 15% Governor's Discretionary funds, provided that the Director of CSS, or designee, notifies the Board and the CAO, in writing, within ten workdays of acceptance, and to adjust amounts allocated to DHS to reflect the FY 2004-05 available WIA 15% Governor's Discretionary funding.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will enable CSS to utilize available FY 2003-04 WIA 15% Governor's Discretionary funding and allocate these funds to DHS, while CSS awaits the State's final allocation of FY 2004-05 funds. These recommendations will enable DHS to operate and provide healthcare retraining services to incumbent workers who are at risk of facing layoffs, and provide services in critical labor shortage areas, such as nurse training. The WIA 15% Governor's Discretionary funds, for the provision of healthcare retraining services, will be administered and utilized through a Memorandum of Understanding (MOU) with DHS.

The healthcare WDP is a requirement under the federal DHS Medicaid Demonstration Project 1115 Waiver extension and is comprised of training components that address DHS' critical labor shortage and need to upgrade worker skills through portable skills and bridge training programs/workshops. The 15% Governor's Discretionary funds are part of the State's commitment to support a workforce training program required under the Waiver that allows DHS to restructure its healthcare delivery system, while mitigating the impact of major layoffs.

Performance Measures

CSS will review the program's performance to assure that DHS is meeting the State Employment Develop Department's (EDD) guidelines that govern this project and are monitored for the following four measures: (1) Program Participation – Percentage of DHS individual workers trained; (2) Units of Service Provided – Percentage of trainings provided to DHS workers; (3) Retention – Percentage of DHS workers who retained employment as a result of training/retraining; and (4) Credentialing/Certification Attainment – Percentage of DHS workers who attained credentials/certifications. The attached Measurable Outcomes shows the areas for training and the number of people projected to receive training for program year 2004-05 (Attachment A).

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan (Goal 2 – Enhance the quality and productivity of the County workforce; Strategy 1 – Establish an employee development system that improves the quality of the workforce by linking training activities to identified individual and organizational needs). The recommended actions will increase access to training services and enhance job training to DHS incumbent employees.

FISCAL IMPACT/FINANCING

The total FY 2004-05 budget for WDP is estimated to be \$9.5 million. WIA 15% Governor's Discretionary funds will provide approximately \$3.5 million, \$1.0 million in carryover funds from FY 2003-04 and \$2.5 million from the FY 2004-05 State allocation. The County will provide the remaining balance of \$6.0 million from tobacco settlement funds, approved by your Board on June 15, 2004, as part of the County's share of costs. Additionally, to the extent possible, the County will also continue to claim training costs for laid-off DHS employees to the Local WIA Dislocated Worker Formula funds.

There is no impact on the County general fund. Funding has been included in the Department's FY 2004-05 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 25, 2001, your Board approved a multi-year DHS Workplan for WDP. WDP has been providing transitional services, incumbent worker training, and portable skills upgrade training to DHS employees that will allow participants to assume higher demand jobs within the County or, as a last resort, build their skill-sets to enhance their marketability in the private sector. The program has provided 5,991 units of service to 4,417 DHS employees through April 30, 2004. These numbers reflect the work accomplished at comprehensive health centers, clinics and public health programs and four major Los Angeles County Hospitals: Olive View, Los Angeles County-USC, King Drew, and Harbor-UCLA Medical Centers.

The WDP is a five-year, \$40 million project jointly developed by the County and the Services Employees International Union (SEIU) Local 660, commencing July 1, 2000, through June 30, 2005. The WDP is funded by WIA 15% Governor's Discretionary funds and local County funds at a 2:1 match, respectively. The WDP is a vital part of the 1115 Medicaid Waiver extension, which allowed DHS time to restructure its department and develop and implement training programs that address critical labor shortages and the need to upgrade worker skills through portable skills and bridge programs.

Up to June 30, 2004, WIA Dislocated Worker Formula funds will be used as the main funding source for the local match. However, due to successful layoff mitigation, this funding source is no longer well suited to serve as the match. Therefore, the County will utilize tobacco settlement funds to meet the 2:1 match requirements for FY 2004-05. However, to the extent possible, the County will also continue to claim training costs for laid-off DHS employees to the Local WIA Dislocated Worker Formula funds.

DHS, as a partner in this endeavor, has reviewed and concurred with the recommendations contained in this Board Letter.

The CAO has reviewed and approved the recommended actions.

CONTRACTING PROCESS

The State has designated the Los Angeles County Workforce Investment Area to receive, administer and allocate WIA 15% Governor's Discretionary funds for incumbent workers. CSS and DHS entered into an MOU that sets the provision and coordination of services, ensuring compliance with WIA requirements. Also, a Departmental Service Order (DSO) has been established between CSS and DHS, in order to reimburse DHS for services rendered.

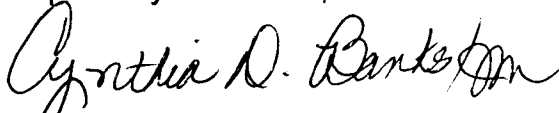
Monitoring

Beginning with FY 2003-04, CSS contracted with the Auditor-Controller's office to conduct fiscal and contract compliance monitoring of all of its contractors within the Employment and Training Branch. The Auditor-Controller, utilizing their Master Agreement list, procures a contractor to conduct on-site visits and follow-up visits. CSS is responsible for ensuring, through its resolution process, that the monitoring findings reported are resolved, training is provided to our contractors, if necessary, and/or program policies are developed.

IMPACT ON CURRENT SERVICES

The recommended actions will offer comprehensive services to employees impacted by DHS' restructuring efforts and those targeted for training under the 1115 Waiver.

Respectfully Submitted,



CYNTHIA D. BANKS
Chief Deputy Director

Attachment

c: David E. Janssen
Raymond G. Fornter, Jr.
Violet Varona-Lukens
J. Tyler McCauley
Thomas Garthwaite, M.D., Department of Health Services
Annelle Grajeda, Services Employees International Union Local 660

Training Implementation Plan
Fiscal year 2004-2005
Health Care Workforce Development Program
Attachment A: Training Outcomes

Training Outcomes
Program goals

FY 04/05
projected

Goal 1: Implement training programs linked to specific waiver-mandated initiatives to stabilize the system, create efficiencies, and increase revenue.

Patient financial services employees
Clinical resource management: inpatient clinical pathways – clinicians
Itemized data collection: medical record coders (18 mon program)
Sub-total

100
200
50
350

Goal 2: Implement training programs that address critical labor shortages by training employees to promote into needed occupations. The emphasis on nursing services will also support retention of existing staff by improving the work environment with precepting, mentoring and ward clerk programs.

Nursing – specialty (dialysis, ICU, ER)
Nursing – skills enhancement
Nursing – Licensed vocational nurses
Nursing – Registered nurses
Nursing - Science Pre-requisites
Nursing -Precepting
Clerical skills - Unit clerk
Other - to be identified (Phlebotomy, Rad Tech, Phar Tech, etc.)
Sub-total

100
150
50
75
100
50
350
200
1075

Goal 3: Mitigate the impact of layoff by preparing employees with portable skills that are transferable to other available positions and jobs.

Communications/Customer Service
Preparatory classes (study skills, basic math, English, etc.)
Information Technology
Spanish language for health care workers – basic and advanced
Cultural Competency
Transition Support : Professional and Personal Skills
Other portable skills programs to be identified
Sub-total
TOTAL

750
1200
300
500
50
100
150
3,050
4,475